

United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Salt Lake Field Office
2370 South Decker Lake Blvd.
West Valley City, UT 84119
ph: (801) 977-4300; Fax: (801) 977-4397
www.ut.blm.gov/saltlake_fo

In Reply Refer To:
3809, (UTW011)
UTU-90510

OCT 22 2014

RECEIVED
OCT 23 2014
RECEIVED
OCT 24 2014
DIV. OF OIL, GAS & MINING
DIV. OF OIL, GAS & MINING

51045/0093
Leslie
6258

Certified Mail No. - 7013 0600 0001 8148 1381
Return Receipt Requested

John Rush
Gold Rush Metals LLC
320 East State Street
Orderville, Utah 84758

Dear Mr. Rush:

We have completed the review of the latest revision of your Plan of Operations (POO) received on July 28, 2014, for your proposed mining activity located in T. 7 S., R. 18 W., Sections 23, 26 and 35, Salt Lake Base and Meridian, and serialized it UTU-090510 and have determined it to be incomplete at this time.

You will need to address the comments and correct the following deficiencies before we can proceed with the approval of your POO.

Table of Contents; Number the pages throughout the document and ensure the section numbers noted in the table of contents match the section content throughout the document.

3.2.1.1 – Access Road; Provide a “Road Location Map” as identified in the document.

3.2.1.2 – Rehabilitation of the existing Fraction Lode Portal Area; A more appropriate title of this section may be “Preparation of the Existing Fraction Load Portal Area”. The description of what you are proposing (blasting, blade work etc.) needs to be more complete and descriptive with appropriate maps to a proper scale so we can have a **full and complete** understanding of your proposed mining operation at this location. Identify the “John Deere 690 EL-C Tracked Excavator” on the list of equipment in section 3.1. Also, provide a map titled “Mine site map” as identified in section 3.1 and other sections.

3.2.1.3 – Construction of temporary surface structures; Building plans that show the materials, schematics, foundation and any other pertinent information are needed for the proposed 14' x 20' shop located on the fraction lode claim area.

3.2.2 – Phase 2: Establishing Portal; Section 3.2.1.2, states you will be using the excavator to aid in the removal of the loose rock around the portal, but in this section you state you will be removing the excavator. Please clarify what equipment and how it will be used in the proposed development of the mine portal/area.

Sign content and location will need to be approved prior to them being placed on public lands. Please submit sign content and specific locations of where you propose to place them within your proposed project area.

3.2.4 – Handling of Development Rock; Provide a “mine layout map for stockpile area” that shows where the “Development Rock” stockpile will be placed.

Provide a “mine layout map for sizing area location” that shows the “sizing area”.

3.2.5 – Milling Procedure; Show the area where you will be stockpiling “silica sand” on the “Callao Mill Site Layout” map from your June 4, 2014, plan submission. You will need to have a “whole rock analysis” completed from a reputable testing laboratory on your ore, tailings and development rock to show that your process will not create any deleterious material. You will need to submit your findings to the Bureau of Land Management (BLM) before we can approve your POO.

Your POO submission skips from 3.2.5, to 3.4. This will need to be corrected.

3.4 – Surface Disturbance; I know it may seem trivial, but in section 1.3, you state there will be 4.5 acres of disturbance for each mine site and 1.0 acre for the road, but in this section you claim 5.0 acres per mine and access roads for each. Please correct this inconsistency for future reference.

3.5 – Water Management Plans; Your POO states that measures will be taken, but you don’t explain what the measures are and where they would be. Please show what and where specific measures (i.e. water bars or culverts on the road to prevent erosion) may be implemented to avoid sedimentation and erosion.

3.6 – Rock Characterization; Information from Western Environmental Testing Laboratories was sent to BLMs Chief Mineral Examiner and others and it was determined that a more detailed and understandable explanation is needed for that information. As mention in 3.2.5 of this letter, a “whole rock analysis” of your material preferably before and after processing will need to be conducted to insure that your material will not be deleterious.

3.8 – Spill Prevention Plans; Please explain what your prevention plan is, what measure will be taken to prevent spills and what procedures you will have in place, if a spill does occur. Also, please explain what your “environmental program” is.

3.8.1 – Fuel Tank Spill Prevention; In 3.1, under the list of equipment you plan to use for your mining operation you state that you will be installing a 1,000 gallon above ground fuel tank. Please make sure the berm or “holding tank” meets any state, local or federal regulations required for such purposes.

3.10.1 – Access Roads; Please provide road location maps as stated in this section at an appropriate scale that show in detail any proposed work, maintenance, upgrades, access etc. that you plan on using while conducting your mining operations. This includes any road(s) you plan to use from your mine to your mill.

3.10.2 – Electrical and Water Utilities; There is no 3.2.7 section in your submitted documents. In section 3.1, you only have one 5,000 gallon water tank on your list, but you state “tanks”, plural and show two tanks on fig. 3, Fraction Lode Mine Site Layout map and four tanks on the Callao Mill Site Map, submitted on June 4, 2014. Please confirm the number and location of water tanks for your operations.

4 – Reclamation Plan; There are no maps that show any of the reclamation you plan to conduct, i.e., “compacted areas will be ripped on the contour”, “6 inches of topsoil over the other portions of the mine’s reclaimed surface area”. Please submit maps, including cross-sections that show pre and post mining areas, proposed reclamation areas and topography.

4.2.3 – Mine Portals; In section’s 1 and 2 you mention the location and claims of the upper and lower Stardust mines, and in this section you state “portals will be sealed”, plural, but you fail to discuss any mining operations or have any maps of the Stardust mines. If you plan to conduct any mining operations at the Stardust location(s), you will need to submit the proper information, including any conceptual designs, maps, flowcharts, cross sections (pre and post mining), schematics and any other diagrams needed at a proper scale or explanation so we can have a **full and complete** understanding of your proposed mining operation, including material handling, processing and reclamation from cradle to grave.

4.2.4 – Development Rock Areas; As mentioned in 3.2.4, there is no map that shows where the “development rock” will be stockpiled. Please provide this map so we can review your reclamation of this material.

Please explain where you will be getting the “inert rock and topsoil” that you state will be placed over the recontoured development rock.

Please define what you consider “development rock”, waste rock, soil, topsoil, “subsoil material”, “growth media”, tailings or any other terms used in your mine plan for our better understanding. A glossary added to your POO would help with any confusion of terms for future reference.

4.5 – Topsoil Handling; Identify where the topsoil and “growth media” is coming from and being stockpiled?

You mention that the development rock may be “potentially acid-generating”. As stated in 3.2.5, you will need to have a “whole rock analysis” prepared on this rock before any approval can be granted.

4.6.1 – Soil Material Placement; All but the last two sentences in this section are identical to section 4.5, please delete this information and the section title and move the information and

section title (Seed Bed Preparation) from 4.6.2, up to 4.6.1 (or whatever the sections turn out to be after your corrections), adding it to the last two sentences in 4.6.1.

4.6.4 – Fertilization; You state that “Stockpiled soil will be tested again prior to reclamation”, but you failed to mention in your submittal that you will be stockpiling “soil”, where the “soil” will be coming from, where you plan to stockpile it and that you tested the “soil” previously. Please submit the information and maps to rectify these deficiencies.

4.6.. – Other Revegetation Procedures; Please make sure that if you plan to use a chemical spray for noxious weeds, that you state in your plan that it is a BLM approved chemical and your application process meets BLM, and any other state, local or federal regulations/policies.

5.1 – Surface Water and Sediment Monitoring; In the third paragraph of this section, you state that “Erosion and sediment control systems and devices will be inspected to determine if they are working properly.” What are these systems and devices and where are they going to be placed at your proposed mine site?

Also, in the same paragraph, you discuss possibly repairing and replacing “Best Management Practices” (BMP) that have been damaged by mining activities, storm water runoff and or wind erosion. Please clarify what the “BMP” are and how they would be repaired or replaced.

The first sentence in the last paragraph in this section would actually fit better in section 3.8, Spill Prevention Plans.

Identify where the acid-forming or deleterious materials are coming from that you state are unlikely to affect surface water in the last sentence of section 5.1?

5.3 – Wildlife Monitoring; Please elaborate on how “Gold Rush Metals has designed the operation to minimize the effects to wildlife to the extent practicable.”

6.1.1 – Mine Portals and Vent Holes; If vent holes are not going to be utilized with your operation, please remove reference to them in your POO.

6.1.2 – Gates and Signage; The location and content of any sign on public lands will need to be approved prior to their installation. If signs are planned to be used on public lands, please include their location and content in your POO. Signs, fences, buildings, gates etc. fall under regulations 43 § CFR 3715, Surface Use and Occupancy and you will need concurrence from BLM. Section 9 of your June 4, 2014, POO revision, requests such concurrence for you proposed mining operation, so please make sure that request remains in your final POO revision.

6.2 – Measures to Isolate or Control Toxic or Deleterious Materials; Please describe the measures that will be taken to control toxic or deleterious materials in the event of short-term temporary closure of mining operations. An arid climate and a large excess of evaporation over precipitation is not a guarantee that the erosion of deleterious materials will not occur. Please describe what measures will be taken to prevent possible erosion of deleterious materials during your mining operation.

6.4 – Measures to Maintain the Project Area in a Safe and Clean Condition; As mentioned in 6.1.2, all signs on public lands need to be authorized prior to their installation.

The last sentence in section 6.4, states the “mine offices” will be locked and maintained. There are no “offices” on any of the maps associated with your submissions. Also, the last sentence needs to be re-worded, it doesn’t make sense.

6.5 – Plans for Monitoring Site Conditions during Periods of Non-Operation; You mention vent holes and fences will be monitored during periods of non-operation, but you don’t mention either of them in your mine plan. If fences and/or vent hole are part of your proposed operation, please include the location(s) on any pertinent maps and within the text of your POO.

7 – Reclamation Cost Estimate; The reclamation cost estimate you included in your POO is for a 5 acre mine, but the POO we received is for a ten acre operation. Please adjust the reclamation cost estimate to cover the entire operation.

8.2 – Cultural Resources; Although the first paragraph is informative, it is not needed in your POO submission.

We have confirmed that a cultural survey has been conducted on your proposed mine area, but there was no document “Cultural Study Bighorn” attached to this submission as stated in this section.

Additional Comments, Concerns and Deficiencies;

- The WETLAB submissions need clarification as to what they actually mean.
- Mine Operation; How many tons/day and days/week etc. do you propose to mine?
- Maps; You need to have some type of reference system like, lat long, UTM, township, range and section etc. on your maps.
- Claim locations and patented lands need to be referenced on the appropriate maps to distinguish public and private lands.
- You only show one mine site with your maps, but you discuss the Stardust Mines. If you plan to operate in the Stardust Mine, you will need to submit the appropriate maps and information for that area.
- Your maps show all your equipment and facilities on the existing topography. If pads or roads are going to be created, then they need to be shown on the appropriate map(s). Pre-mining, mid-mining and post-mining maps and cross-sections may need to be submitted to show an accurate depiction of your proposed operation. Also, your maps need reference numbers and they need to be referenced in your table of contents.
- Pictures; The pictures you submitted are not realistic and have no details, explanations, scale, figure/attachment or reference numbers and they are not included in the table of contents. If pictures are to be submitted as part of your POO, then they need to be attached and referenced in the POO.
- Haul/Access Roads; You will need to discuss your planned usage of the roads you will be utilizing for your mining operation from the mine site to the mill, including both, county maintained and unimproved BLM roads. You will need to discuss and show with maps what type of maintenance you will perform including any culverts, cut and fill, berms, water bars etc. and how many vehicles, their size and number of trips per day would be attributed to

your proposed operation. If a permit or agreement is needed from Tooele County to use the "Gold Hill" roads, you will need to furnish a copy of the document before we can authorize your proposed operation.

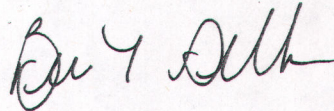
Once these deficiencies and comments are addressed we can resume the approval process for your POO.

As requested in the May 2, 2014, letter you received on May 7th, please make sure you read and answer **all** of the above mentioned deficiencies/suggestions to the best of your ability, and wait to submit **one** revision with **all** of the above mentioned deficiencies/suggestions answered. Sending partial revisions will only delay the review time needed to approve your POO. Also, please make sure you put a current date on your submission for our tracking purposes.

If you have any questions or concerns with anything discussed in this letter please contact Larry Garahana, Salt Lake Field Office Geologist at (801) 977-4371.

ACTING

Sincerely,



Rebecca A. Hotze
Field Manager

cc: Leslie Heppler, Utah Division of Oil, Gas and Mining, 1594 W. North Temple, Ste. #1210
Box 145801, SLC, UT 84114-5801